

# Statement on Introduction of H.R. 1, the American Recovery and Reinvestment Act

Wednesday, 28 January 2009

There is no doubt that the economic hole our country has been put into is deep. We will not pull ourselves out of it overnight. But the legislation before us today will provide a direct jolt to our economy and will protect those families who are struggling to get by. This is the kind of bold action that Americans voted for last November, and I urge all my colleagues to support this bill and get it to President Obama to be signed into law.

For the Congressional Record

January 28, 2009

MR. STARK: Madam Speaker, I rise in support of H.R. 1, the "American Recovery and Reinvestment Act of 2009."

American families are facing dire economic conditions. In my state of California, unemployment is nearing 10% and tens of thousands of families are losing their homes each month. Nationwide, family budgets and state budgets are stretched to the breaking point. Parents are forced to decide whether to pay for health care or the utility bill, while school districts contemplate laying-off teachers and state welfare and Medicaid caseloads expand. This crisis demands bold action to get people working again, strengthen our safety net, and build infrastructure for the 21st Century.

I am not a proponent of all of the provisions in this bill — especially the ill-conceived corporate tax breaks that will do nothing to create jobs or jump-start our economy. The good, however, greatly outweighs the bad.

Among the good, I count the necessary spending to bolster state Medicaid, Unemployment Insurance and Food Stamps programs. Economists tell us that these steps are some of the most effective ways to stimulate the economy. These provisions allow resources to go directly to individuals who have been hurt by the recession and to bolster weakened state budgets.

This package will also create jobs right away by funding “shovel ready” projects to improve mass transit, rebuild bridges and roads, modernize our water systems, retrofit energy inefficient buildings, and create a clean energy infrastructure.

To ensure that our children are ready to compete in a global economy, this legislation makes bold investments in education. These investments include funding for school modernization, an expansion of the successful Early Head Start program, child care assistance for an additional 300,000 children, increased Pell Grants and refundable education tax credits for college students, and a State Fiscal Stabilization Fund to prevent teacher layoffs.

As Chairman of the Ways and Means Health Subcommittee, I am most excited about the health components we've included in this legislation. When President Obama signs this bill, he will do more to advance the cause of repairing our broken health system than the previous Administration did in eight long years.

By investing \$20 billion in health information technology, this act puts us on a path to a modern health care delivery system that improves patient outcomes, increases provider efficiency, and decreases the cost of health care for all. In fact, the Congressional Budget Office tells us that this bill will incentivize 90% of America's doctors and 70% of hospitals to adopt electronic health records—resulting in lower health costs for both the public and private sectors.

I have received letters in support of this section from groups that include the American Hospital Association, Families USA, Health Care for America Now, the Healthcare Leadership Council, Information Technology Association of America, the Coalition for Patient Privacy, and many others. For example, Dr. John Halamka, Dean of Technology at Harvard Medical School recently wrote about this legislation that:

"With appropriate policies and requirements to implement interoperable, certified EHRs, the dream of a fully electronic healthcare system in the US will move forward more in the next few years than in my entire career to date."

Not only will this investment in health IT improve our health care system, but it will create high tech jobs for those who develop, train, and utilize the software — one study estimates that 30,000 jobs will be created for every \$1 billion spent.

I am proud of the work that has gone into the health IT portion of this bill to invest in modernizing our health system, and I am excited about the enormous advantage this gives us as we move later this year to reform our health care system to cover everyone in America.

This bill also takes important steps to protect the health insurance of workers who have lost their jobs due to this economic crisis.

COBRA health continuation coverage is a lifeline for many people between jobs, but as anyone who has ever been on COBRA knows, it is expensive. On average, the monthly premium for COBRA coverage is \$1069 — an amount that exceeds many people's entire unemployment check.

This bill contains a 65% COBRA subsidy for up to 12 months for people who have been involuntarily terminated as a result of the recession. Because COBRA doesn't cover everyone, the bill also includes an option for states to temporarily open their Medicaid program — with 100% federal funding — to provide health coverage for unemployed workers and their families. Together, these provisions are projected to protect the health care of more than 8 million Americans.

In addition, this bill recognizes the special difficulties facing older and long time workers in a recession. It provides the ability for these workers to extend COBRA coverage beyond the standard 18 months until such time as they have obtained new group coverage or have become eligible for Medicare. This provision has no cost to the government, but will provide what could be the only opportunity for longtime workers to maintain their health coverage.

There is no doubt that the economic hole our country has been put into is deep. We will not pull ourselves out of it overnight. But the legislation before us today will provide a direct jolt to our economy and will protect those families who are struggling to get by. This is the kind of bold action that Americans voted for last November, and I urge all my colleagues to support this bill and get it to President Obama to be signed into law.